

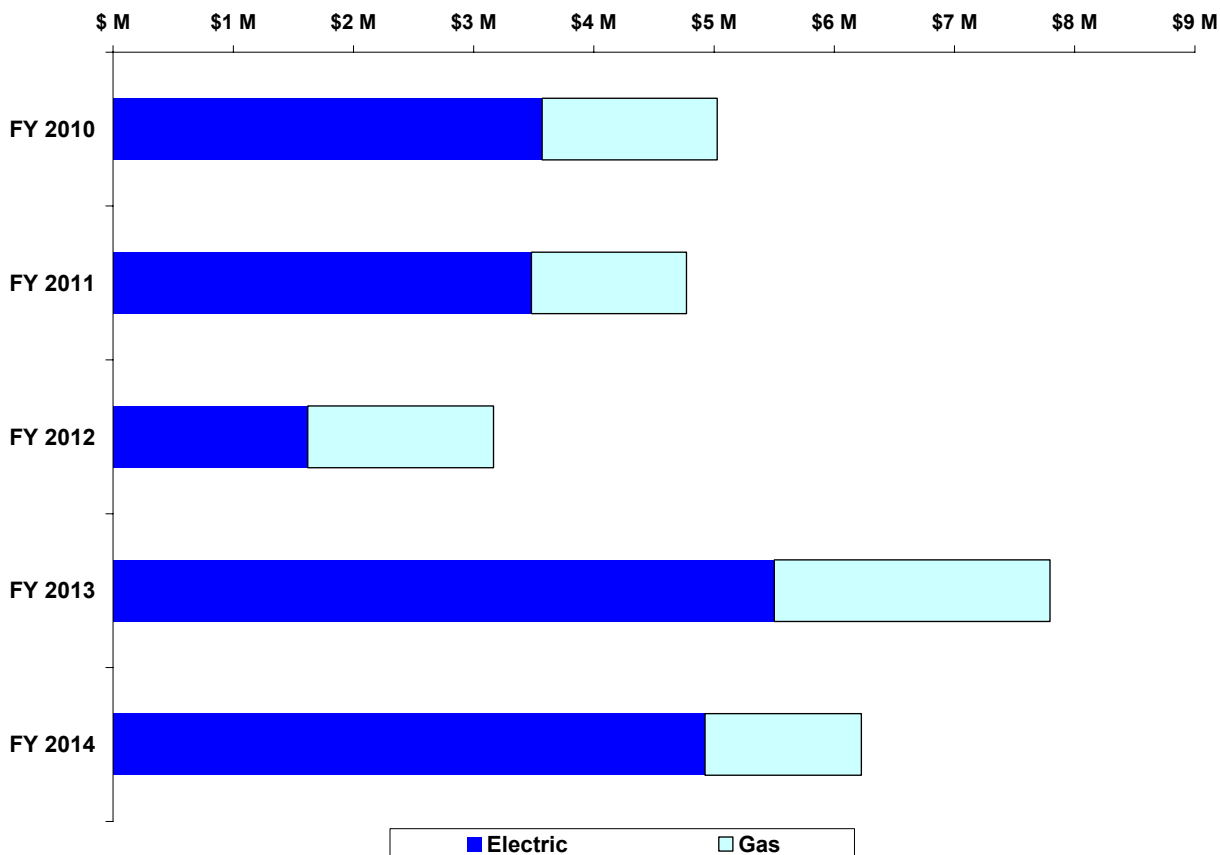
PUBLIC UTILITIES

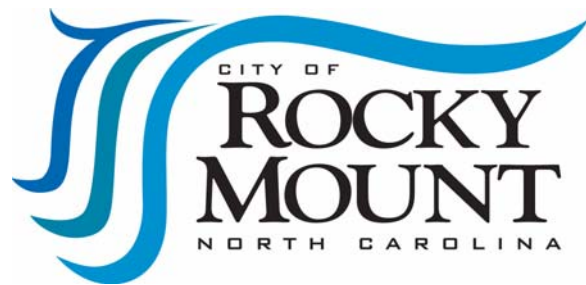
The projects listed as Public Utilities are those that primarily benefit the City's Electric and Gas operations. Funding comes primarily from current revenues of the utility funds and debt financing. Most projects involve improvements related to expanding services to additional customers, maintaining existing systems, and improving service offerings to existing customers.

The total recommended Electric expenditures for 2010-2014 is \$19,095,000, which is a 6.8% increase over last year's recommendations for 2009-2013. The total recommended Gas expenditures for 2010-2014 is \$7,885,000, which is a 56.8% increase over last year's recommendations for 2009-2013.

Fiscal Year	Electric	Gas
FY 2010	3,570,000	1,455,000
FY 2011	3,480,000	1,290,000
FY 2012	1,620,000	1,545,000
FY 2013	5,500,000	2,295,000
FY 2014	4,925,000	1,300,000
Total	\$ 19,095,000	\$ 7,885,000

Expenditures by Year





CIP OVERVIEW

Public Utilities - Electric

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Revenues								
Enterprise Fund	1,348,000	1,210,000	1,415,000	1,250,000	2,410,000	1,250,000	1,250,000	7,535,000
State Grant	200,000	-	200,000	-	-	-	-	200,000
Debt	2,290,000	2,010,000	1,515,000	370,000	3,090,000	3,675,000	5,270,000	10,660,000
Capital Reserve	350,000	350,000	350,000	-	-	-	-	700,000
Total Revenues	\$4,188,000	\$3,570,000	\$3,480,000	\$1,620,000	\$5,500,000	\$4,925,000	\$6,520,000	\$19,095,000
Expenditures								
Electric Equipment Replacement	290,000	475,000	480,000	370,000	590,000	475,000	770,000	2,390,000
Radio System Improvements	150,000	150,000	150,000	150,000	150,000	150,000	150,000	750,000
Residential Load Management Program	40,000	50,000	100,000	100,000	100,000	100,000	100,000	450,000
Utility Department Computer Systems	90,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Electric Automated Meter Reading	150,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Utility Operations Center	-	-	-	-	1,000,000	-	-	1,000,000
Electric Long Range Plan	-	-	-	-	60,000	-	-	60,000
Relocation of Utility Lines (DOT)	200,000	-	200,000	-	-	-	-	200,000
Distribution System Improvements	195,000	195,000	250,000	250,000	250,000	250,000	250,000	1,195,000
Transmission Pole Replacement	200,000	400,000	400,000	400,000	400,000	400,000	400,000	2,000,000
Construct Second Point of Delivery Station	523,000	500,000	-	-	-	-	-	500,000
Substation #9 - Rebuild Substation	2,000,000	-	-	-	-	-	-	-
Substation #5 - Rebuild Substation	-	1,100,000	-	-	-	-	-	1,100,000
Substation #7 - Rebuild Substation	-	-	1,100,000	-	-	-	-	1,100,000
Substation #8 - Rebuild Substation	-	-	-	-	1,700,000	1,700,000	-	3,400,000
Substation #1 - Replace Substation Transformer	-	-	-	-	-	-	1,500,000	-
Substation #4 - Replace Substation Transformer	-	-	-	-	-	-	1,500,000	-
Substation #6 - Replace Substation Transformer	-	-	-	-	-	-	1,500,000	-
Construct Transmission Line to Substation #14	-	-	-	-	900,000	1,500,000	-	2,400,000
Backup SCADA System	-	-	100,000	-	-	-	-	100,000
Downtown Streetscape	350,000	350,000	350,000	-	-	-	-	700,000
Total Expenditures	\$4,188,000	\$3,570,000	\$3,480,000	\$1,620,000	\$5,500,000	\$4,925,000	\$6,520,000	\$19,095,000

Electric Equipment Replacement**Expenditures**

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Backhoe [R]	-	-	-	-	-	215,000	-	215,000
Bucket Truck Large 90'	-	-	285,000	-	-	-	-	285,000
Bucket Truck, Mtl. Handler 60' [R]	-	-	-	-	-	-	-	-
Bucket Truck, Service 40' [R]	-	185,000	-	-	215,000	-	-	400,000
Bucket Truck, Small 35' [R]	-	100,000	-	90,000	-	-	-	190,000
Derrick Truck, Regular [R]	190,000	-	195,000	200,000	-	-	-	395,000
Derrick, Mini [R]	-	110,000	-	-	-	-	-	110,000
Directional Boring Rig, Large [R]	-	-	-	-	-	-	290,000	-
Dump Truck [R]	-	-	-	80,000	-	-	-	80,000
Excavation Tamper [N]	-	-	-	-	-	-	-	-
Large Bucket 65'	-	-	-	-	240,000	-	240,000	240,000
Trencher, Large [R]	100,000	-	-	-	135,000	140,000	-	275,000
Trencher, Medium [R]	-	80,000	-	-	-	120,000	-	200,000
Total Expenditures	\$290,000	\$475,000	\$480,000	\$370,000	\$590,000	\$475,000	\$530,000	\$2,390,000

Electric Equipment Replacement**Description**

To provide funds for new and replacement construction equipment necessary for the construction, operation and maintenance of the City's Electric Distribution System. Proper and reliable equipment is essential for ensuring a safe, reliable, and cost effective operation. Equipment that is not replaced at the end of its usable life increases repair and operating costs, and outage duration, while decreasing safety, reliability, and customer satisfaction.

This budget provides for replacing equipment on the following cycle:

Service Bucket Trucks - 10 years

Bucket & Derrick Trucks - 10 years

Directional Bore, Large - 10 years

Dump Trucks (3) - 10 years

Backhoe (3) - 10 years

Trencher, Large (3); Medium (1) - base replacement on hours and maintenance costs

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B-3 in that it updates the CIP to provide quality utility service.

Category

05 - Current level of service cannot be continued unless work is done

Past Progress**Complete?**

FY2009 - Replace Derrick Truck, #4453, 1999, \$190,000 - out for bid.

No

Received: Large Trencher \$100,000.

Future Plans

FY2012 - Replace Dump Truck, #4406, 1993, \$70,000

Replace Bucket Truck, Small 35', (Substation), #4443, 2000, \$90,000 (Cab and Chassis only, Refurbish 2005 Bucket Assembly).

FY2011 - Replace Bucket Truck Large 95', #4433, 1991, \$285,000

Replace Derrick Truck, #4451 (keep as spare), 1997, \$195,000

FY2010 - Replace Bucket Truck, Service 40', #4422 (keep as spare), 2005, \$185,000

Replace Trencher, Medium #4745, 1999, \$80,000

Replace Derrick, Mini, # 4937, 1997, \$110,000

New, Bucket Truck, Small 35', (Streetlight Crew), \$100,000

FY2013 - Replace Derrick Truck, #4453, 1999, \$200,000

Replace Bucket Truck, 65', #4438, 2003, \$240,000 (keep as spare)

Replace Trencher, Large, #4607, 2002, \$135,000

Replace Backhoe, #4605, 1998, \$105,000

Replace FY2008 Bucket Truck, Service 40' @ \$220,000 (keep as spare), Retire unit #4434, 2003 from fleet.

FY2014 - Replace Medium Trencher, #4608, 2003, \$120,000

Replace Backhoe, #4606, 2000, \$110,000

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Debt	290,000	475,000	480,000	370,000	590,000	475,000	770,000	2,390,000
Total Revenues	\$290,000	\$475,000	\$480,000	\$370,000	\$590,000	\$475,000	\$770,000	\$2,390,000

Radio System Improvements**Description**

This project provides for the systematic replacement and upgrade of the City's 800 MHZ trunking radio system and equipment. Included is the replacement of analog radios and radio equipment with digital capable equipment. Dependable and reliable communications are essential for all City departments to operate effectively.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective A in that it provides to upgrade and maintain existing municipal facilities and services which is consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Past Progress**Complete?**

FY2009 - Complete 800 MHz Rebanding project.

No

Continue replacement of oldest portable and mobile radios.

Future Plans

FY2010 - Ongoing replacement and upgrading of radio equipment is planned.

FY2011 - Ongoing replacement and upgrading of radio equipment is planned.

FY2012 - Ongoing replacement and upgrading of radio equipment is planned.

FY2013 - Ongoing replacement and upgrading of radio equipment is planned.

FY2014 - Ongoing replacement and upgrading of radio equipment is planned.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	150,000	150,000	150,000	150,000	150,000	150,000	150,000	750,000
Total Revenues	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Equipment/Furnishing	150,000	150,000	150,000	150,000	150,000	150,000	150,000	750,000
Total Expenditures	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000

Residential Load Management Program**Description**

These funds are used to purchase new and replacement load management switches for our residential load management program. Load management switches are installed on customer's electric water heaters, central air conditioners and electric heat pumps. The switches are operated each month during the highest system demand and assist to lower the coincidental peak which decreases the wholesale cost of electricity. These savings are shared with the customer.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 3 & 4, and F - 1 in that it provides for the purchase of equipment which lowers the City's cost of power which is consistent with the Comprehensive Plan.

Category

08 - Improves efficiency or generates additional revenue with initial cost being recovered by savings within less than five (5) years

Past Progress**Complete?**

FY2009 - Continue to replace existing residential load management switches and install switches on new customer accounts. No

FY2009 through November: 300 switches purchased at a cost of \$20,400; 269 switches installed.

Future Plans

FY2011 - Continue to replace existing residential load management switches and install switches on new customer accounts.

FY2010 - Continue to replace existing residential load management switches and install switches on new customer accounts.

FY2012 - Continue to replace existing residential load management switches and install switches on new customer accounts.

FY2013 - Continue to replace existing residential load management switches and install switches on new customer accounts.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	40,000	50,000	100,000	100,000	100,000	100,000	100,000	450,000
Total Revenues	\$40,000	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$450,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Equipment/Furnishing	40,000	50,000	100,000	100,000	100,000	100,000	100,000	450,000
Total Expenditures	\$40,000	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$450,000

Utility Department Computer Systems**Description**

This project provides funding for the maintenance and expansion of hardware and software for the various Utility Department computer systems including SCADA, GIS, OMS, IVR and electric and natural gas system modeling software. These various systems are used to monitor, control and analyze the electric and natural gas distribution systems. Data acquired from these systems is used for system modeling, long range planning studies, electronic and paper system maps, work order system and the automated trouble call system. These systems enable the Utility Department to efficiently plan and design system expansions and reinforcements, improve outage response times and support dispatching and accurate customer billing.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, 2, & 3, & F - 1 in that it provides for the expansion and maintenance of the electric distribution system which supports economic development and is consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Past Progress**Complete?**

FY2009 - Project is to install telephone switching equipment at the Utility Operations Center at the Albemarle Ave Complex later this FY. This project will allow the receiving of routine and emergency telephone calls related to electrical outages and natural gas leaks in the case of failure of the City's main telephone switching equipment located at City Hall. It will also provide a backup location for the reception of other City telephone calls.

No

Future Plans

FY2010 - Complete project is to install telephone switching equipment at the Utility Operations Center at the Albemarle Ave Complex.

Perform modifications to GIS and OMS to interface with new CIS software.

Other projects to be determined.

FY2011 - Projects to be determined.

FY2012 - Projects to be determined.

FY2013 - Projects to be determined.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	90,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Total Revenues	\$90,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Equipment/Furnishing	90,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Total Expenditures	\$90,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Electric Automated Meter Reading**Description**

To provide funding for Automated Meter Reading (AMR) of electric, gas and water meters. AMR provides meter reading without gaining access to a customers property. Costs are reduced through reduced staffing, reduced re-reads, more accurate reads, and elimination of access problems. Customer service is improved by eliminating estimated bills, reducing high bill complaints, and eliminating need to access customer premise. Cash flow is improved by fewer meter reading cycles and reduced revenue delays due to inaccurate or estimated reads. It also reduces liabilities through reduced employee driving of vehicles and the entering of customer premises. Theft detection is also greatly enhanced.

Justification

Project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy B - 2 & F - 1 in that it upgrades existing utility service and improves the management of utilities which is consistent with the Comprehensive Plan.

Category

08 - Improves efficiency or generates additional revenue with initial cost being recovered by savings within less than five (5) years

Past Progress**Complete?**

FY2009 - 2,300 single phase and 500 polyphase meters were purchased and will be installed by the end of the FY. 20,250 single phase and 600 three phase electric meters remain to be replaced with AMR equipped meters. No

Future Plans

FY2010 - Continue project to install AMR equipped electric meters and locks with Electric Meter Shop personnel.

FY2011 - Continue project to install AMR equipped electric meters and locks with Electric Meter Shop personnel.

FY2012 - Continue project to install AMR equipped electric meters and locks with Electric Meter Shop personnel.

FY2013 - Continue project to install AMR equipped electric meters and locks with Electric Meter Shop personnel.

FY2014 - Complete project to install AMR equipped electric meters and locks with Electric Meter Shop personnel.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	150,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Total Revenues	\$150,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Equipment/Furnishing	150,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Total Expenditures	\$150,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Utility Operations Center**Description**

This project provides funds for the purchase of land and buildings for a Utility Operations Center. The Space Needs Study conducted by The Wooten Company confirms there is not adequate space for current operations at the City's Albemarle Ave. Complex. This project will allow Electric and Gas operations to vacate the Albemarle Ave. Complex providing necessary space for the other City Divisions for current and future needs. This project also provides adequate space for current and future needs for Utility Operations.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective A, B - 1, 2 and F - 1 in that it through strategic planning and proper management of the Utility Department it provides for quality current and future utility service which is consistent with the Comprehensive Plan.

Category

06 - Current level of service cannot be assured unless work is done

Future Plans

FY2012 - The purchase of property in the vicinity of the Utility Department's material storage yard is planned for FY 2012.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Debt	-	-	-	-	1,000,000	-	-	1,000,000
Total Revenues	\$-	\$-	\$-	\$-	\$1,000,000	\$-	\$-	\$1,000,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	-	-	-	-	1,000,000	-	-	1,000,000
Total Expenditures	\$-	\$-	\$-	\$-	\$1,000,000	\$-	\$-	\$1,000,000

Electric Long Range Plan**Description**

This project provides funding for a long range planning study of the City's electric system and the update of the distribution system model on a five year basis. The long range plan will include system load growth projections for the next five, ten and twenty years based on historical usage information, weather and mathematical trending, and an analysis of factors influencing electricity use in each geographical area. This study will be the basis for all future system improvements such as rebuilding, constructing, and locating substations, reinforcement circuit installations, and minimizing system losses. The distribution system model is utilized for system analysis including present system voltage and capacity as well as long-range voltage and capacity at 2, 5 and 10 year intervals.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

06 - Current level of service cannot be assured unless work is done

Past Progress**Complete?**

FY2008 - The study is complete and was presented to the department (12/2007)

Yes

Future Plans

FY2013 - Five year update of the Long Range Plan.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	-	-	-	-	60,000	-	-	60,000
Total Revenues	\$-	\$-	\$-	\$-	\$60,000	\$-	\$-	\$60,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Planning/Design	-	-	-	-	60,000	-	-	60,000
Total Expenditures	\$-	\$-	\$-	\$-	\$60,000	\$-	\$-	\$60,000

Electric Sectionalizing Plan**Description**

Project provides for purchase and installation of additional system protection and sectionalizing devices. A protection device coordination study was completed in FY 2007-08 determined the proper size and location of system protection and sectionalizing devices (relays, reclosers, and fuses). This was to insure the proper level of protection is provided to all distribution equipment such as station transformers and will coordinate to localize power interruptions. Additional sectionalizing devices and protection equipment are necessary as system changes in both load size and location. This study was last performed in 1988. There have been many changes to the distribution system since then which necessitate this study. This project was identified in the long range planning study and are necessary to continue to provide safe, reliable electrical service to our customers.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

06 - Current level of service cannot be assured unless work is done

Past Progress**Complete?**

FY2009 - Proper sized sectionalizing and protective devices are being purchased and installed No
based on sectionalizing study prepared by the Utility Department's Consulting Engineering firm.

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Equipment/Furnishing	-	-	-	-	-	-	-	-
Total Expenditures	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-

Relocation of Utility Lines (DOT)**Description**

This project involves the relocation of electric distribution and transmission facilities for North Carolina Department of Transportation (NCDOT) road improvement projects. It is expected that the cost of this work will be reimbursed by NCDOT. This cannot be confirmed until detailed planning of each project is complete. Detailed planning can not be completed until plans are provided by NCDOT.

Justification

This project is required to comply with NCDOT road construction projects.

Category

01 - Legally mandated

Past Progress**Complete?**

FY2009 - Northern Connector project: \$200,000. Engineering work only. Construction cost to be determined. No

Future Plans

FY2011 - Winstead Avenue Road Widening Project \$ 50,000. Engineering work only.

Country Club Rd Road Widening Project: \$50,000. Engineering work only.

Southern Connector Project: \$50,000. Engineering work only.

Hunter Hill Rd Road Widening Project: \$50,000. Engineering work only.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
State Grant	200,000	-	200,000	-	-	-	-	200,000
Total Revenues	\$200,000	\$-	\$200,000	\$-	\$-	\$-	\$-	\$200,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Planning/Design	200,000	-	200,000	-	-	-	-	200,000
Total Expenditures	\$200,000	\$-	\$200,000	\$-	\$-	\$-	\$-	\$200,000

Distribution System Improvements**Description**

This project provides for improvements to electric distribution circuits by extending feeders, replacing inadequate systems, and replacing decayed poles. This provides continued electric system reliability to our customers.

Justification

This project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, 2, & 3, and F - 1 in that it provides for the expansion and maintenance of the electric distribution system which supports economic development and is consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Past Progress**Complete?**

FY2009 - Express Feeder - Reservoir area Phase II is complete.

No

Feeder Tie - Red Oak Battleboro Rd. is projected to be completed FY2009.

Reconductor Nicodemus Mile Road is projected to be completed FY2009.

Continuing replacement of aging underground cable and reconductoring overhead copper lines.

Future Plans

FY2010 - Express feeder - Substation # 6 to Substation # 10: \$150,000. (Necessary to accommodate ongoing load growth in the Reservoir area.)

Replacement of aging underground cable and reconductoring overhead copper lines: \$50,000.

Replace distribution poles identified in the pole audit \$50,000.

FY2011 - Replacement of aging underground cable and reconductoring overhead copper lines: \$50,000.

Replace distribution poles identified in the pole audit \$50,000.

Other projects to be determined: \$150,000.

FY2012 - Replacement of aging underground cable and reconductoring overhead copper lines: \$50,000.

Replace distribution poles identified in the pole audit \$50,000.

Other projects to be determined: \$150,000.

FY2013 - Replacement of aging underground cable and reconductoring overhead copper lines: \$50,000.

Replace distribution poles identified in the pole audit \$50,000.

Other projects to be determined: \$150,000.

FY2014 - Replacement of aging underground cable and reconductoring overhead copper lines: \$50,000.

Replace distribution poles identified in the pole audit \$50,000.

Other projects to be determined: \$150,000.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	195,000	195,000	250,000	250,000	250,000	250,000	250,000	1,195,000
Total Revenues	\$195,000	\$195,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,195,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	195,000	195,000	250,000	250,000	250,000	250,000	250,000	1,195,000
Total Expenditures	\$195,000	\$195,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,195,000

Transmission Pole Replacement**Description**

This project is to provide for the replacement of wooden transmission line poles and insulators. These poles support the City's 69kv transmission system which supplies power to the City's 12 Substations. They are critical to the operation of the electrical system. Many of these poles are 33+ years old. A large number of these poles have a manufacture date that, due to the age of the pole, is no longer readable and most likely 40+ years old. These poles are past the end of their usable life and will be replaced with steel poles.

This project was identified in the 2007 - 2026 Long Range Plan, Phase I, II & III and is necessary to ensure system reliability and provide a satisfactory level of customer service.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Past Progress**Complete?**

FY2009 - Expect to replace 26 Wooden Transmission poles.

No

Future Plans

FY2010 - Continued replacement of Transmission Poles.

FY2011 - Continued replacement of Transmission Poles.

FY2012 - Continued replacement of Transmission Poles.

FY2013 - Continued replacement of Transmission Poles.

FY2014 - Continued replacement of Transmission Poles.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	200,000	400,000	400,000	400,000	400,000	400,000	400,000	2,000,000
Total Revenues	\$200,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	200,000	400,000	400,000	400,000	400,000	400,000	400,000	2,000,000
Total Expenditures	\$200,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000

Construct Second Point of Delivery Station**Description**

Project is to construct a second point of delivery station. Load growth projections indicate this additional station will be necessary in the next 5 to 15 years. The Power Agency's transition from the Power Coordination Agreement to the Open Access Transmission Tariff (OATT) necessitates completion of the first phase of this project before 2010. Funds are for planning, design, land acquisition, and construction of 230 kV structures, switches, and tie bus that will satisfy the requirements of the OATT.

Funds are also included in later years to complete the construction of a 230 to 69 kV delivery point station. System load growth will be evaluated each year to determine required date for delivery point station construction. This project was identified in the 2007 - 2026 Long Range Plan.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the Electric Distribution System and provides for proper management of the Electric Distribution System which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Past Progress**Complete?**

FY2008 - Project was delayed due to negotiations associated with relocation of Progress Energy and Dominion Power transmission system tie point as part of the construction of this delivery station. Agreement finally reached 9/2008. Yes

FY2009 - Currently working with Progress Energy to finalize station design and determine total acreage needed. Land will then be purchased. The 230 kV structures, switches and tie bus will then be constructed. Progress Energy to construct the tap from their 230 kV transmission line. No

The project is expected to be completed during 2010.

Future Plans

FY2017 - Project is to complete the design and construction of a 230 to 69kV, 120 MVA power delivery station.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	523,000	-	-	-	-	-	-	-
Debt	-	500,000	-	-	-	-	-	500,000
Total Revenues	\$523,000	\$500,000	\$-	\$-	\$-	\$-	\$-	\$500,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	-	500,000	-	-	-	-	-	500,000
Land Acquisition	523,000	-	-	-	-	-	-	-
Total Expenditures	\$523,000	\$500,000	\$-	\$-	\$-	\$-	\$-	\$500,000

Substation #9 - Rebuild Substation**Description**

Project is to rebuild Substation # 9. It includes replacing the 30+ year old 69kV substation transformer and associated high voltage structures, insulators, and switches and replacing the low side bus structure, associated circuit breakers, and relays. This equipment is over 30 years old and is at the end of its predicted useful life. The dielectric components of the switchgear are breaking down and causing power outages. Repair parts are no longer readily available.

Due to the age of the other substation transformers the transformer removed from this substation will be retained as a spare for emergency use in the other substations.

This project was identified in the 2007 - 2026 Long Range Plan, Phase I and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Past Progress**Complete?**

FY2009 - Major components on order (20MVA Transformer, Control House, 69kV Switch, Circuit Breakers, and Control Panel). Finalizing design. Construction to commence upon receipt of materials. Projected completion - 1/2010.

No

Future Plans

FY2010 - Finalize material procurement; start and finish construction by 1/2010.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Debt	2,000,000	-	-	-	-	-	-	-
Total Revenues	\$2,000,000	\$-	\$-	\$-	\$-	\$-	\$-	\$-

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	1,000,000	-	-	-	-	-	-	-
Planning/Design	1,000,000	-	-	-	-	-	-	-
Total Expenditures	\$2,000,000	\$-	\$-	\$-	\$-	\$-	\$-	\$-

Substation #5 - Rebuild Substation**Description**

Project is to rebuild Substation # 5. It includes replacing the low side bus structure and associated circuit breakers and relays and the high voltage structures, insulators, and switches. This equipment is over 40 years old and is well past the end of its predicted useful life and has become unreliable. The dielectric components of each are breaking down and causing power outages. Repair parts are no longer readily available. This project was identified for replacement in the long range planning study and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

The priority of replacing the station transformer will be evaluated immediately prior to the rebuilding of the substation. Based on testing of the actual internal condition of the transformer and the comparison with other distribution system capital improvement needs if prudent the transformer will be replaced at an estimated additional cost of \$1,000,000.

This project was identified in the 2007 - 2026 Long Range Plan, Phase I and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Future Plans

FY2010 - Replace high voltage structures, insulators and switches and replacing the low side bus structure, associated circuit breakers and relays. \$1,300,000

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	-	65,000	-	-	-	-	-	65,000
Debt	-	1,035,000	-	-	-	-	-	1,035,000
Total Revenues	\$-	\$1,100,000	\$-	\$-	\$-	\$-	\$-	\$1,100,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	-	1,035,000	-	-	-	-	-	1,035,000
Planning/Design	-	65,000	-	-	-	-	-	65,000
Total Expenditures	\$-	\$1,100,000	\$-	\$-	\$-	\$-	\$-	\$1,100,000

Substation #7 - Rebuild Substation**Description**

Project is to rebuild Substation # 7. It includes replacing the 40 year old high voltage structures, insulators and switches and replacing the low side bus structure, associated circuit breakers and relays. This equipment is over 40 years old and is well past the end of its predicted useful life and has become unreliable. The dielectric components of each are breaking down and causing power outages and repair parts are no longer readily available.

This project was identified in the 2007 - 2026 Long Range Plan, Phase II and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Future Plans

FY2011 - Replace high voltage structures, insulators and switches and replacing the low side bus structure, associated circuit breakers and relays.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	-	-	65,000	-	-	-	-	65,000
Debt	-	-	1,035,000	-	-	-	-	1,035,000
Total Revenues	\$-	\$-	\$1,100,000	\$-	\$-	\$-	\$-	\$1,100,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	-	-	1,035,000	-	-	-	-	1,035,000
Planning/Design	-	-	65,000	-	-	-	-	65,000
Total Expenditures	\$-	\$-	\$1,100,000	\$-	\$-	\$-	\$-	\$1,100,000

Substation #8 - Rebuild Substation**Description**

Project is to rebuild Substation # 8. It includes replacing the 30+ year old 69kV substation transformer and associated high voltage structures, insulators and switches and replacing the low side bus structure, associated circuit breakers and relays. This equipment is over 30 years old and is well past the end of its predicted useful life and has become unreliable. The dielectric components of each are breaking down and causing power outages and repair parts are no longer readily available.

If system load growth necessitates, the existing 69 – 13.2 kV, 20 MVA substation transformer will be replaced with a 230 x 69 – 13.2 kV, 30 MVA dual voltage high side transformer. This dual voltage high side transformer will operate at 230 kV initially and be fed from the City's new second point of delivery station to be constructed adjacent to Substation # 8 in FY2010. This will remove load from the existing point of delivery station and deferring the purchase of a 230 – 69 kV 120 MVA transformer for the second point of delivery station (at a current cost of \$7M). When the second delivery station transformer is eventually installed the dual voltage high side transformer at Substation # 8 can then be transferred over to 69 kV is conditions so warrant.

This project was identified in the 2007 - 2026 Long Range Plan, Phase I and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Future Plans

FY2012 - Design / Engineering / Material Procurement

FY2013 - Construction / Close Out

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	-	-	-	-	200,000	-	-	200,000
Debt	-	-	-	-	1,500,000	1,700,000	-	3,200,000
Total Revenues	\$-	\$-	\$-	\$-	\$1,700,000	\$1,700,000	\$-	\$3,400,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Capital Equipment	-	-	-	-	1,500,000	-	-	1,500,000
Construction	-	-	-	-	-	1,700,000	-	1,700,000
Planning/Design	-	-	-	-	200,000	-	-	200,000
Total Expenditures	\$-	\$-	\$-	\$-	\$1,700,000	\$1,700,000	\$-	\$3,400,000

Substation #1 - Replace Substation Transformer**Description**

Project is to replace the 50+ year old 69kV substation transformer . The low side bus structure, associated circuit breakers and relays were replaced in 2001 and the high voltage structures, insulators and switches were replaced in 2008. At 50+ years old the transformer is well past the end of its predicted useful life, has become unreliable and is subject to catastrophic failure.

The priority of replacing the station transformer will be evaluated immediately prior to the project. Based on testing of the actual internal condition of the transformer and the comparison with other distribution system capital improvement needs if prudent the replacement of the transformer will be deferred.

This project was identified in the 2007 - 2026 Long Range Plan, Phase II and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Past Progress**Complete?**

FY2009 - Replaced all the 69kV switches and disconnects

Yes

Future Plans

FY2015 - Replace 20MVA station transformer

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	-	-	-	-	-	-	1,485,000	-
Planning/Design	-	-	-	-	-	-	15,000	-
Total Expenditures	\$-	\$-	\$-	\$-	\$-	\$-	\$1,500,000	\$-

Substation #4 - Replace Substation Transformer**Description**

Project is to replace the 45 year old 69kV substation transformer. The low side bus structure, associated circuit breakers and relays were replaced in 2001. At 45 years old the transformer is well past the end of its predicted useful life and has become unreliable. The dielectric components are breaking down and subject to catastrophic failure.

The priority of replacing the station transformer will be evaluated immediately prior to the project. Based on testing of the actual internal condition of the transformer and the comparison with other distribution system capital improvement needs if prudent the replacement of the transformer will be deferred.

This project was identified in the 2007 - 2026 Long Range Plan, Phase II and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Future Plans

FY2015 - Replace the 45 year old 69kV substation transformer

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	-	-	-	-	-	-	1,500,000	-
Total Expenditures	\$-	\$-	\$-	\$-	\$-	\$-	\$1,500,000	\$-

Substation #6 - Replace Substation Transformer**Description**

Project is to replace the 40+ year old 69kV substation transformer. The low side bus structure, associated circuit breakers and relays were replaced in 2001. At 40+ years old the transformer is at the end of its predicted useful life and has become unreliable. The dielectric components are breaking down and subject to catastrophic failure.

The priority of replacing the station transformer will be evaluated immediately prior to the project. Based on testing of the actual internal condition of the transformer and the comparison with other distribution system capital improvement needs if prudent the replacement of the transformer will be deferred.

This project was identified in the 2007 - 2026 Long Range Plan, Phase II and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

05 - Current level of service cannot be continued unless work is done

Future Plans

FY2015 - Replace the 40+ year old 69kV substation transformer

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	-	-	-	-	-	-	1,500,000	-
Total Expenditures	\$-	\$-	\$-	\$-	\$-	\$-	\$1,500,000	\$-

Construct Transmission Line to Substation #14**Description**

Substation #14 is the only City of Rocky Mount substation supplied by a single 69 kV radial feed transmission line. This substation provides power to the northern area of the electric distribution system including the large industrial customers at the Whitaker Industrial Park. This project is to construct a second 69 kV transmission line to Substation #14 providing a dual feed for the substation. This will increase the reliability to the customers supplied from Substation # 14.

This project was identified in the 2007 - 2026 Long Range Plan, Phase I & II and is necessary to ensure system reliability, reduce system losses, and provide a satisfactory level of customer service.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B - 1, & 2, and F - 1 in that it provides for the maintenance and upgrading of the electric distribution system and provides for proper management of the electric distribution system which also supports economic development all of which are consistent with the Comprehensive Plan.

Category

10 - Expansion of service is deemed necessary

Future Plans

FY2013 - Engineering / Design and begin ROW Acquisition

FY2014 - Construction for Substation #14 transmission line

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	-	-	-	-	900,000	-	-	900,000
Debt	-	-	-	-	-	1,500,000	-	1,500,000
Total Revenues	\$-	\$-	\$-	\$-	\$900,000	\$1,500,000	\$-	\$2,400,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	-	-	-	-	-	1,500,000	-	1,500,000
Planning/Design	-	-	-	-	900,000	-	-	900,000
Total Expenditures	\$-	\$-	\$-	\$-	\$900,000	\$1,500,000	\$-	\$2,400,000

Backup SCADA System**Description**

This project is to purchase and install a backup SCADA system at the Generator/Substation Repair Shop located at the Pole Yard on Thorpe Rd. adjacent to the Environmental Services building. The SCADA system is used by the Utility and Water Resources Departments to remotely monitor and control the electric and gas distribution systems, load management generators and various components and systems of the Water Resources Department. A backup SCADA system will allow these remote operations to continue if the main SCADA site at the Utility Operations Center becomes unusable or inaccessible.

Justification

This project is consistent with the Community Facilities section of the Comprehensive Plan, Objective F, in that it provides for proper management of the electric and natural gas distribution system.

Category

06 - Current level of service cannot be assured unless work is done

Future Plans

FY2011 - Project is to install a backup SCADA system in the Generator/Substation Repair Shop located at the Utility material storage facility (Pole Yard) on Airport Rd. This project will provide for the remote monitoring and control of the City's electric and natural gas distribution systems in the case of failure of the main SCADA equipment or the need to evacuate the Utility Operations Center at the Albemarle Ave Complex.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	-	-	100,000	-	-	-	-	100,000
Total Revenues	\$-	\$-	\$100,000	\$-	\$-	\$-	\$-	\$100,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Equipment/Furnishing	-	-	100,000	-	-	-	-	100,000
Total Expenditures	\$-	\$-	\$100,000	\$-	\$-	\$-	\$-	\$100,000

Downtown Streetscape**Description**

This project provides funding for electric system improvements related to the redevelopment of the Downtown Streetscape.

Justification**Category**

11 - Needed to implement a new program or activity being requested in an upcoming operating budget

Past Progress**Complete?**

FY2009 - Supplemental funding in current fiscal year to initiate construction.

No

Future Plans

FY2010 - Continued funding for construction.

FY2011 - Continued funding for construction.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Capital Reserve	350,000	350,000	350,000	-	-	-	-	700,000
Total Revenues	\$350,000	\$350,000	\$350,000	\$-	\$-	\$-	\$-	\$700,000

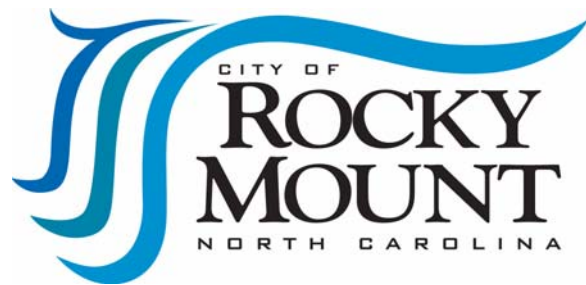
Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	350,000	350,000	350,000	-	-	-	-	700,000
Total Expenditures	\$350,000	\$350,000	\$350,000	\$-	\$-	\$-	\$-	\$700,000

CIP OVERVIEW

Public Utilities - Gas

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Revenues								
Enterprise Fund	958,000	1,250,000	1,200,000	1,450,000	1,200,000	1,200,000	800,000	6,300,000
Debt	127,000	75,000	90,000	95,000	1,095,000	100,000	-	1,455,000
Fund Balance	-	130,000	-	-	-	-	-	130,000
Total Revenues	\$1,085,000	\$1,455,000	\$1,290,000	\$1,545,000	\$2,295,000	\$1,300,000	\$800,000	\$7,885,000
Expenditures								
Gas Equipment Replacement	127,000	75,000	90,000	95,000	95,000	100,000	-	455,000
New Gas Mains	300,000	300,000	300,000	300,000	300,000	300,000	300,000	1,500,000
Replace Gas Mains	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
New Gas Services	150,000	150,000	150,000	150,000	150,000	150,000	150,000	750,000
Gas System Expansion	100,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Gas Automated Meter Reading	100,000	400,000	400,000	400,000	400,000	400,000	-	2,000,000
Peak Shaving Facility	-	50,000	-	-	-	-	-	50,000
MGP Remediation	-	130,000	-	-	-	-	-	130,000
Utility Operations Center	-	-	-	250,000	1,000,000	-	-	1,250,000
Gas Equipment Building	58,000	-	-	-	-	-	-	-
Total Expenditures	\$1,085,000	\$1,455,000	\$1,290,000	\$1,545,000	\$2,295,000	\$1,300,000	\$800,000	\$7,885,000



New Gas Mains**Description**

This project provides funds for the installation of natural gas mains to serve new residential, commercial and industrial customers. Anticipated projects include:

Ford's Colony - next phases
 Bend of the River Rd. Expansion
 West Mount Dr. Expansion
 Crossings @ 64

Justification

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategies F-1 in that it provides for the installation of gas services consistent with the Comprehensive Plan.

Category

08 - Improves efficiency or generates additional revenue with initial cost being recovered by savings within less than five (5) years

Past Progress**Complete?**

FY2009 - 11/08 Year to date gas main footage installed: 2620' with a total FY projection of 10,000'. Yes
 Completed projects include Castaways and Windstone Subdivision

Future Plans

FY2010 - Continue to expand system to provide natural gas services to residential, commercial, and industrial customers.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	300,000	300,000	300,000	300,000	300,000	300,000	300,000	1,500,000
Total Revenues	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	300,000	300,000	300,000	300,000	300,000	300,000	300,000	1,500,000
Total Expenditures	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000

Gas Equipment Replacement**Description**

This project will provide funds for new and replacement construction equipment necessary for the installation and maintenance of natural gas mains and services. Proper and reliable equipment is essential for ensuring safe and cost effective operation of the Gas Division. Equipment that is not replaced at the end of its usable life increases repair costs and operating costs, while decreasing safety, reliability, and customer satisfaction.

This budget provides for replacing equipment on the following cycle:

Backhoe - 10 years

Trencher, Mains - 6 years

Trencher, Services - 6 years

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B-3 in that it updates the CIP to provide quality utility service.

Category

05 - Current level of service cannot be continued unless work is done

Past Progress**Complete?**

FY2009 - Received: Two Service Trenchers (2 @ \$46,500 ea), 500 gal vacuum excavation unit (\$34,000). Yes

Future Plans

FY2010 - Replace Backhoe, #4603, 1994 @ \$75,000.

FY2012 - Replace Trencher, Large, #4612, 2006 @ \$95,000.

FY2013 - Replace Trencher, Large, #4765, 2007 @ \$95,000.

FY2014 - Replace Trencher, Small, #4734, 2008 @ \$50,000. Replace small vacuum excavating unit, #4920 @ \$50,000.

FY2011 - Replace Large Dump Truck, #4404, 2001 @ \$90,000.

FY2015 - Replace Trencher, Small, #4735, 2008 @ \$50,000.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Debt	127,000	75,000	90,000	95,000	95,000	100,000	-	455,000
Total Revenues	\$127,000	\$75,000	\$90,000	\$95,000	\$95,000	\$100,000	\$-	\$455,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Backhoe [R]	-	75,000	-	-	-	-	-	75,000
Directional Boring Rig, Small [N]	-	-	-	-	-	-	-	-
Excavation Unit	34,000	-	-	-	-	50,000	-	50,000
Kubota ATV [N]	-	-	-	-	-	-	-	-
Large Dump Truck[R]	-	-	90,000	-	-	-	-	90,000
Trencher, Large [R]	-	-	-	95,000	95,000	-	-	190,000
Trencher, Service [R]	93,000	-	-	-	-	50,000	-	50,000
Total Expenditures	\$127,000	\$75,000	\$90,000	\$95,000	\$95,000	\$100,000	\$-	\$455,000

Replace Gas Mains**Description**

This project provides for the replacement of gas main that is at the end of its useful life and is subject to increasing leakage. The project is to replace all isolated steel gas mains serving Housing Authorities, apartment complexes, and inner-city neighborhoods.

Justification

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy B-2 in that it provides upgrading existing gas facilities consistent with the Comprehensive Plan.

Category

02 - Eliminates hazards to persons

Past Progress**Complete?**

FY2007 - Replacement of cast iron gas mains in Edgecombe County was completed.	Yes
FY2008 - Replacement of cast iron gas mains in Nash County was completed.	Yes
FY2009 - ~200' of 6" steel gas main on US Hwy 301 at Fenner Rd. will be removed and replaced with 6" plastic gas main at a lower depth to accommodate construction of the Northern Connector.	No
FY2009 - Replaced steel mains in Weeks Armstrong, Cleveland Street, Cedar Street, Paul Street, and Clark Street Housing Authorities, and Sunset Apartments.	Yes
FY2009 - 4-inch Steel Main in Meadowbrook Park was replaced.	Yes

Future Plans

FY2010 - Replacement of steel gas mains will begin in FY09 and continue until completion. Planned projects include Westwood Housing Authority and apartment complexes, and inner-city neighborhoods.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Total Revenues	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Total Expenditures	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

New Gas Services**Description**

This project provides funds for the installation of natural gas services lines from new and existing mains for new residential, commercial, and industrial customers.

Justification

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategies F-1 in that it provides for the installation of gas services consistent with the Comprehensive Plan.

Category

08 - Improves efficiency or generates additional revenue with initial cost being recovered by savings within less than five (5) years

Past Progress**Complete?**

FY2009 - 11/08 year to date installed service line footage is 10,000 feet with a FY projection of 20,000 feet. Projects include the installation of 100 ytd requested services in Rocky Mount, Nashville and Hwy 97 areas and the projection of another 100 services. Also includes 125 ytd service renewals and the projection of another 125 services renewed. No

Future Plans

FY2010 - Annual installation of 200 new services for requested residential, commercial, and industrial customers. Also includes replacement of 250 existing galvanized and black plastic service lines to new polyethylene pipe.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	150,000	150,000	150,000	150,000	150,000	150,000	150,000	750,000
Total Revenues	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	150,000	150,000	150,000	150,000	150,000	150,000	150,000	750,000
Total Expenditures	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000

Gas System Expansion**Description**

This project provides funding for the expansion of the natural gas distribution system into areas of planned development.

Justification

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy F-1 in that it provides for gas main extensions consistent with the Comprehensive Plan.

Category

08 - Improves efficiency or generates additional revenue with initial cost being recovered by savings within less than five (5) years

Past Progress**Complete?**

FY2009 - Began installation of 6-inch main on S. Halifax Road between Oak Level Road and West Mount Drive to provide a backfeed in this area for pressure stabilization. No

FY2009 - Current FY project includes the installation of a 4-inch main expansion on S. Old Carriage Road to Oak Level Road to Sunset Avenue to stabilize gas pressure to Nash Central High School, Carriage Farms Subdivision, and Carriage Pond Subdivision. Yes

Future Plans

FY2010 - Complete installation of 6-inch main on S. Halifax Road between Oak Level Road and West Mount Drive to provide a backfeed in this area for pressure stabilization.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	100,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Total Revenues	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	100,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Total Expenditures	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Gas Automated Meter Reading**Description**

To provide funding for Automated Meter Reading (AMR) of electric, gas and water meters. AMR provides meter reading without having to gain access to a customers property. Costs are reduced through reduced staffing, reduced re-reads, more accurate reads, and elimination of access problems. Customer service is improved by eliminating estimated bills, reducing high bill complaints, and eliminating need to access customer premise. Cash flow is improved by fewer meter reading cycles and reduced revenue delays due to inaccurate or estimated reads. It also reduces liabilities through greatly reduced employee driving of vehicles, and entering customer premises. Theft detection is also greatly enhanced. Average cost per meter with device @ \$180.

Justification

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy B - 2 & F - 1 in that it upgrades existing utility service and improves the management of utilities which is consistent with the Comprehensive Plan.

Category

08 - Improves efficiency or generates additional revenue with initial cost being recovered by savings within less than five (5) years

Past Progress**Complete?**

FY2008 - Approximately 4,200 meters converted to AMR YTD December 07. Approximately 14,300 meters remain to be converted. Yes

FY2009 - Approximately 5591 meters converted year to date December 2008. Approximately 13213 meters remaining to convert. No

Future Plans

FY2010 - Continue project to install new gas meters and retrofit existing gas meters less than 15 years old with AMR modules utilizing Gas Meter Shop personnel.

FY2011 - Continue project to install new gas meters and retrofit existing gas meters less than 15 years old with AMR modules utilizing Gas Meter Shop personnel.

FY2012 - Continue project to install new gas meters and retrofit existing gas meters less than 15 years old with AMR modules utilizing Gas Meter Shop personnel.

FY2013 - Continue project to install new gas meters and retrofit existing gas meters less than 15 years old with AMR modules utilizing Gas Meter Shop personnel.

FY2014 - Complete project to install new gas meters and retrofit existing gas meters less than 15 years old with AMR modules utilizing Gas Meter Shop personnel.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	100,000	400,000	400,000	400,000	400,000	400,000	-	2,000,000
Total Revenues	\$100,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$-	\$2,000,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Equipment/Furnishing	100,000	400,000	400,000	400,000	400,000	400,000	-	2,000,000
Total Expenditures	\$100,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$-	\$2,000,000

Peak Shaving Facility**Description**

This project provides funding for analyzing the feasibility of constructing and operating a peak shaving facility to reduce natural gas supply costs and ensure reliable delivery of natural gas to our customers on the coldest or "peak demand" days of the year. This project is necessary to explore options in preparation for the 11/2010 expiration of the current natural gas redelivery contract with Piedmont Natural Gas Company.

Justification

This project is consistent with the Community Facilities Element of the Comprehensive Plan; Strategy F - 1 in that it improves the management of the natural gas supply which is consistent with the Comprehensive Plan.

Category

08 - Improves efficiency or generates additional revenue with initial cost being recovered by savings within less than five (5) years

Past Progress**Complete?**

No

Future Plans

FY2010 - Engineering studies are planned to explore feasibility of constructing a peak shaving facility. Analysis will include determination of peak shaving volume and throughput requirements; a cost benefit analysis of constructing and operating various types of peak shaving facilities; suitable location for facility based on system take away capabilities and available land; development of a site specific plan.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	-	50,000	-	-	-	-	-	50,000
Total Revenues	\$-	\$50,000	\$-	\$-	\$-	\$-	\$-	\$50,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Planning/Design	-	50,000	-	-	-	-	-	50,000
Total Expenditures	\$-	\$50,000	\$-	\$-	\$-	\$-	\$-	\$50,000

MGP Remediation**Description**

This project provides for the remedial investigation (RI) of the subsurface area at the location of the City's former manufactured gas plant (MGP) site. The City operated a coal gas manufacturing plant from ~ the 1920's to 1950's. In general, MGP's produced coal gas for lighting and heating from coal. Byproducts of this process including coal tar and oils were typically stored and disposed of on sight. This may have caused contamination of the subsurface area of the MGP. This project is implement a NC Department of Environmental and Natural Resources (NCDENR) approved remedial investigation (RI) to determine the extent of any subsurface contamination and develop and implement a NCDENR approved remedial action plan (RAP) to address any subsurface contamination.

Justification

This project is required to comply with NCDENR.

Category

01 - Legally mandated

Past Progress**Complete?**

FY2009 - To Date: A remedial investigation work plan was developed, and approved by NCDENR in 2001. NCDENR requires the remedial investigation (RI) to be performed FY 2010. Based upon the findings of the RI a remedial action plan (RAP) will be developed and submitted to DENR for approval. The necessary funds for implementing the RAP will be determined and budgeted in subsequent years.

No

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Fund Balance	-	130,000	-	-	-	-	-	130,000
Total Revenues	\$-	\$130,000	\$-	\$-	\$-	\$-	\$-	\$130,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Planning/Design	-	130,000	-	-	-	-	-	130,000
Total Expenditures	\$-	\$130,000	\$-	\$-	\$-	\$-	\$-	\$130,000

Utility Operations Center**Description**

This project provides funds for the purchase of land and buildings for a Utility Operations Center. The Space Needs Study conducted by The Wooten Company confirms there is not adequate space for current operations at the City's Albemarle Ave. Complex. This project will allow Electric and Gas operations to vacate the Albemarle Ave. Complex providing necessary space for the other City Divisions for current and future needs. This project also provides adequate space for current and future needs for Utility Operations.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective A, B - 1, 2 and F - 1 in that it through strategic planning and proper management of the Utility Department it provides for quality current and future utility service which is consistent with the Comprehensive Plan.

Category

06 - Current level of service cannot be assured unless work is done

Future Plans

FY2012 - The purchase of property in the vicinity of the Utility Department's material storage yard is planned for FY 2012.

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	-	-	-	250,000	-	-	-	250,000
Debt	-	-	-	-	1,000,000	-	-	1,000,000
Total Revenues	\$-	\$-	\$-	\$250,000	\$1,000,000	\$-	\$-	\$1,250,000

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	-	-	-	-	1,000,000	-	-	1,000,000
Planning/Design	-	-	-	250,000	-	-	-	250,000
Total Expenditures	\$-	\$-	\$-	\$250,000	\$1,000,000	\$-	\$-	\$1,250,000

Gas Equipment Building**Description**

Construction of a 40' x 100' metal equipment storage facility to house Gas Division construction equipment including directional drilling rig, spare trenchers, backhoes, etc.

Justification

Project is consistent with the Community Facilities Section of the Comprehensive Plan; Objective B-1, 2 & 3, and F-1 in that it provides for proper storage of the equipment necessary to maintain and expand the city's gas distribution system which is consistent with the Comprehensive Plan.

Category

08 - Improves efficiency or generates additional revenue with initial cost being recovered by savings within less than five (5) years

Past Progress**Complete?**

FY2009 - Bid awarded in December 2008 to Calvin Davenport Builders. Construction to be completed in March 2009. No

Revenues

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Enterprise Fund	58,000	-	-	-	-	-	-	-
Total Revenues	\$58,000	\$-	\$-	\$-	\$-	\$-	\$-	\$-

Expenditures

Description	FY 2009 Proj	FY 2010 Prop	FY 2011 Prop	FY 2012 Prop	FY 2013 Prop	FY 2014 Prop	Future Years	CIP Total
Construction	58,000	-	-	-	-	-	-	-
Total Expenditures	\$58,000	\$-	\$-	\$-	\$-	\$-	\$-	\$-